

1958

REPORT

of the

President and Directors

of the

Atlanta and West Point  
Rail Road Company

to the

Stockholders in Convention

for the

Year Ended December 31, 1958

BOARDS

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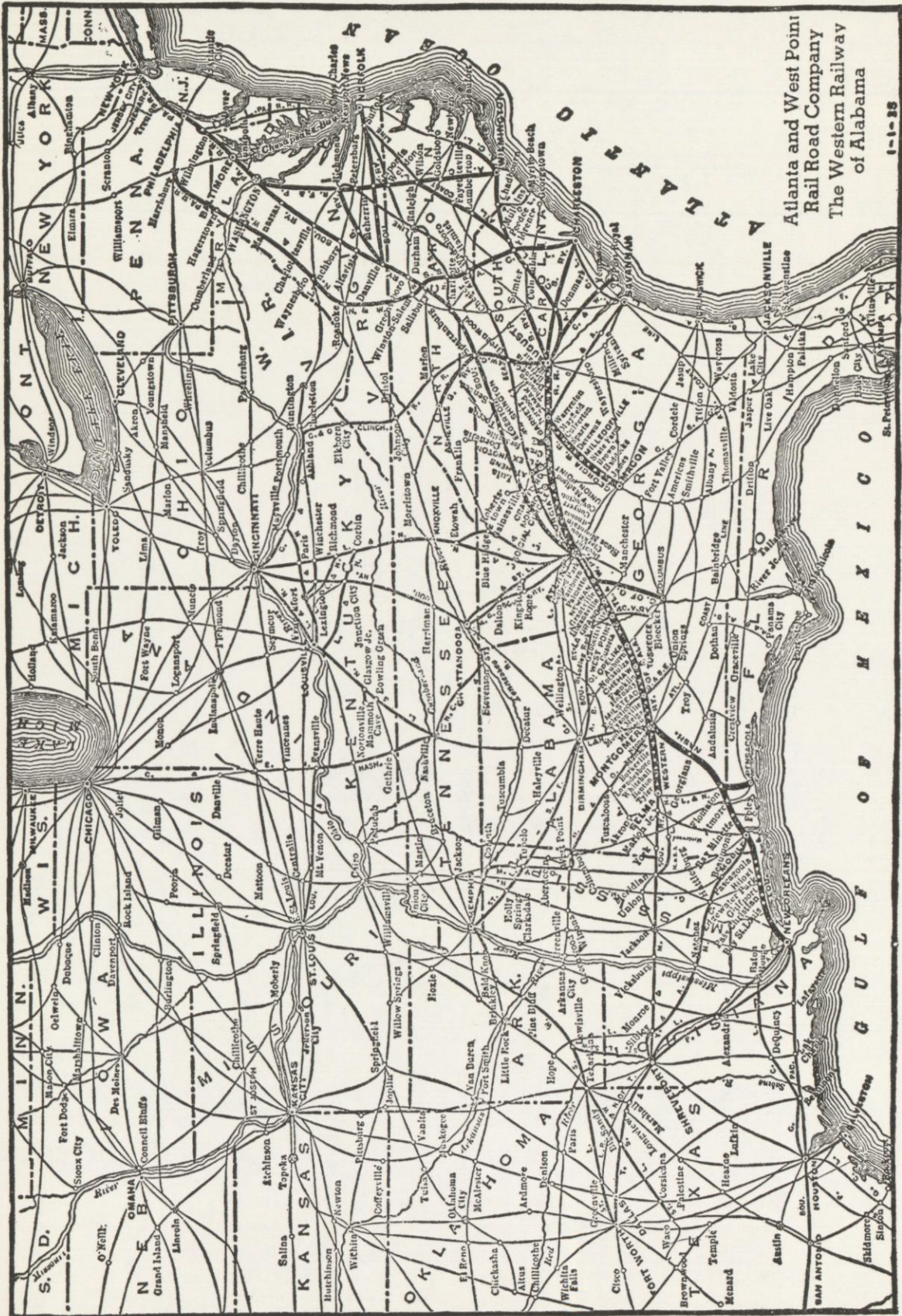
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**DIRECTORS FOR THE YEAR**

W. T. Rice.

E. G. Cole, Jr.

William N. Banks.

J. C. Mixon.

J. E. Tilford.

Joseph L. Lanier.

S. R. Young.

**OFFICERS**

J. C. Mixon, President and General Manager.

T. C. Bullard, Secretary and Treasurer.

Heyman, Abram and Young, General Counsel.

B. A. Culpepper, General Auditor.

E. J. Haley, General Superintendent.

Marshall L. Bowie, Director of Personnel.

J. B. Wilson, Chief Engineer.

J. B. Pace, Purchasing Agent.

M. M. Albright, Jr., Freight Traffic Manager.

W. W. Snow, Passenger Traffic Manager.

J. E. Saucier, General Development and  
Real Estate Agent.

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**Office**

4 Hunter St., S.E.

Atlanta 3, Ga.



## COMPARATIVE SUMMARY OF OPERATING AND CORPORATE RESULTS, AND FINANCIAL POSITION

| SOURCE OF INCOME   | 1958                | 1957                | Increase or Decrease |              |
|--|---------------------|---------------------|----------------------|--------------|
|  |                     |                     | Amount               | Percent      |
| Income:  |                     |                     |                      |              |
| Freight.....   | \$ 2,718,846        | \$ 2,818,767        | \$ -99,921           | -3.54        |
| Passenger.....   | 286,998             | 341,992             | -54,994              | -16.08       |
| Mail, express, and other operations.....                                   | 554,164             | 553,172             | 992                  | .18          |
| Rent from equipment and joint facilities.....                              | -164,499            | -32,088             | -132,411             | -412.65      |
| Dividends, interest, and miscellaneous income.....                         | 96,607              | 100,906             | -4,299               | -4.26        |
| <b>TOTAL.....</b>  | <b>\$ 3,492,116</b> | <b>\$ 3,782,749</b> | <b>\$ -290,633</b>   | <b>-7.68</b> |
| <b>CHARGES AGAINST INCOME</b>  |                     |                     |                      |              |
| Railway tax accruals.....  | \$ 216,469          | \$ 235,440          | \$ -18,971           | -8.06        |
| Operating expenses:  |                     |                     |                      |              |
| Superintendence.....   | \$ 163,712          | \$ 159,462          | \$ 4,250             | 2.65         |
| Locomotive fuel used.....  | 163,670             | 187,390             | -23,720              | -12.66       |
| Repairs to equipment.....  | 394,131             | 509,457             | -115,326             | -22.64       |
| Depreciation and retirements.....  | 258,101             | 249,510             | 8,591                | 3.44         |
| Outside traffic agencies.....  | 126,880             | 132,361             | -5,481               | -4.14        |
| Casualty, and loss and damage.....   | 107,684             | 66,871              | 40,813               | 61.03        |
| Maintaining and operating joint facilities.....                            | 729,776             | 755,296             | -25,520              | -3.38        |
| Other operating expenses including wages, materials used, etc.             | 1,330,651           | 1,430,320           | -99,669              | -6.97        |
| <b>TOTAL.....</b>  | <b>\$ 3,274,605</b> | <b>\$ 3,490,667</b> | <b>\$ -216,062</b>   | <b>-6.19</b> |
| Other deductions from income:  |                     |                     |                      |              |
| Interest on debt.....  | \$ 34,154           | \$ 37,672           | \$ -3,518            | -9.34        |
| Taxes on non operating property.....                                       | 9,627               | 9,411               | 216                  | 2.30         |
| Miscellaneous.....   | 568                 | 250                 | 318                  | 127.20       |
| <b>TOTAL.....</b>  | <b>\$ 44,349</b>    | <b>\$ 47,333</b>    | <b>\$ -2,984</b>     | <b>-6.30</b> |
| <b>TOTAL CHARGES AGAINST INCOME.....</b>                                   | <b>\$ 3,535,423</b> | <b>\$ 3,773,440</b> | <b>\$ -238,017</b>   | <b>-6.31</b> |
| <b>NET INCOME.....</b>   | <b>\$ -43,307</b>   | <b>\$ 9,309</b>     | <b>\$ -52,616</b>    |              |
| Dividends to shareholders.....   | \$ 24,636           | \$ 73,908           | \$ -49,272           | -66.67       |
| Amount available for debt reduction, improvements, and other purposes..... | -67,943             | -64,599             | -3,344               | -5.18        |
| Net income per share.....  | \$ -1.76            | \$ .38              | \$ -2.14             |              |
| Dividend payments per share.....   | \$ 1.00             | \$ 3.00             | \$ -2.00             | -66.67       |
| <b>FINANCIAL POSITION</b>  |                     |                     |                      |              |
| Total investments less recorded depreciation and amortization..            | \$ 7,081,234        | \$ 7,191,874        | \$ -110,640          | -1.54        |
| Current assets.....  | 1,793,545           | 1,733,228           | 60,317               | 3.48         |
| Deferred and unadjusted assets.....  | 103,926             | 224,902             | -120,976             | -53.79       |
| Capital stock.....   | 2,463,600           | 2,463,600           |                      |              |
| Long term debt.....  | 927,154             | 1,047,738           | -120,584             | -11.51       |
| Long term debt due within one year.....                                    | 120,584             | 120,584             |                      |              |
| Current liabilities.....   | 545,917             | 539,176             | 6,741                | 1.25         |
| Deferred and unadjusted liabilities.....                                   | 232,813             | 243,215             | -10,402              | -4.28        |
| Corporate surplus.....   | 4,688,637           | 4,735,691           | -47,054              | -.99         |

—Decrease.



## EXECUTIVE OFFICE

Atlanta, Georgia, April 17, 1959

*To the Stockholders:*

Herein is submitted report of the Atlanta and West Point Rail Road Company for the year ended December 31, 1958.

The operations for the year resulted in a net deficit of \$43,307 as compared with an income of \$9,309 for the preceding year or a decrease of \$52,616.

Due to the strong financial position of your company and a recovery of taxes paid in former years, stockholders received a dividend of \$1.00 a share as of August 1, 1958.

The economic recession starting in 1957 extended well past the middle of 1958 and acutely affected revenues for most of the year. While it was possible to more than compensate for declining revenues by reductions in normal operating expenses, our net income suffered further adverse effects because of two major train derailments and a decline in net equipment rent income which resulted from less on line loading of cars and general equipment surpluses attending the national recession.

Freight revenue amounted to 3.54% less than in 1957. Freight ton miles declined 0.75% with a decrease of 4.18% in the total number of tons handled reflecting the lower loadings on line. The statement on page 15 shows major decreases in tonnage were in products of mines and manufactured and miscellaneous products which were most sensitive to the decline in construction and general business activity. The soil bank program is still affecting movements of agricultural products in this area and there have been continuing delays in getting anticipated large scale highway construction projects under way.

Competition with other forms of transportation has been intensified during this year as general industry sought every means to reduce transportation costs. This has met with alert, vigorous and progressive efforts in sales and service, along with realistic rate treatment. As a result much has been accomplished in retaining rail business and some traffic, previously diverted to other forms of transportation, has been recovered.

While wage rates and material costs continued their upward trend during 1958 railroads in this area decided to seek no further increases in rates. Effective February 15, 1958 the Interstate Commerce Commission made effective some increases, on selected commodities, which had been requested during the year 1957 under Ex Parte 212. These increases did not apply to many commodities moving in considerable volume on our line, and have not yet been made applicable to intrastate shipments in Georgia.

Passenger miles travelled decreased 16.21% over 1957 and revenues decreased 16.08% as the trend of abandonment of trains for planes and private automobiles continued. Revenues from mail increased 5.7%, express decreased 1.7% and other passenger train revenues declined somewhat due principally to the discontinuance of an unprofitable dining car operation.

During the year, with permission of the Georgia Public Service Commission, passenger trains Nos. 35 and 36 were discontinued between Atlanta, Georgia and West Point, Georgia. The operation of these trains had become increasingly unprofitable and, with the substitution of truck service to handle local mail and express, there was no public opposition to our application. This is resulting in substantial operating cost savings with little loss in revenues.

Capital expenditures aggregated \$5,073,801 for the years 1946 through 1958 or 67.69% of total investment as of 1945. For the year 1958 these expenditures approximated \$75,483. Without such additions and improvements our operating costs would have been much greater.

No new equipment was acquired during 1958.

During 1958 equipment obligations, represented by conditional sale agreements, were reduced \$120,584, leaving a balance of \$1,047,738, of which \$120,584 will be payable in 1959.

Despite increased unit costs of labor and material, operating costs declined 6.2% which was more than sufficient to offset a decline in operating revenues of 4.2%. This resulted in an improvement in the operating ratio of 2.1% which reflects real credit to the organization in view of the adversities previously mentioned.

The planning and programming of new mechanized accounting and simplified methods of car reporting as referred to in the previous report was materially advanced during the year. A complete upgrading of our punch card accounting equipment to develop simplified data processing was accomplished. Plans laid during the year for the installation of leased teletype circuits to be coordinated with associated and family lines are expected to become effective in 1959.

A firm wage increase of 7 cents an hour became effective November 1, 1958, under provisions of existing national agreements. Under the same agreements cost-of-living increases amounted to 4 cents an hour May 1, 1958 and 1 cent an hour November 1, 1958. Payroll taxes for employee unemployment insurance increased from 2% to 2½% effective January 1, 1958, and again from 2½% to 3% effective January 1, 1959. Proposals for still further increases in such rate as well as in the rate of contributions to the Railroad Retirement fund are now before the 86th Congress. If adopted, these increases will prove to be quite burdensome to your company.

Certain national demands of employees for revision of agreements are currently pending. Among them are those of maintenance of way employees for ten sweeping changes in working rules; and those of firemen, trainmen and non-operating employees for rules pertaining to time limits for handling claims and grievances, hiring practices, safety, health and sanitation, and compensation for injuries or occupational diseases.

Industrial development and expansion on the line and in its territory has been impeded during the period of recession but aggressive action has resulted in some improvement and planning for the future is being vigorously progressed. During 1958 fifteen new industries, served directly by our line, were located at six points on the line. Four additional industries expanded their facilities and materially increased their activity. American Marietta Company, who acquired a large site near our 10 mile post in 1957, have facilities under construction and should be in full production early in 1959. Large installations of public utilities in south Fulton County are in progress and will increase the attractiveness of an extensive industrial area, including our properties at College Park, Georgia. We sponsored formation of the South Fulton Development Association composed of leaders in the communities of College Park, Union City, Fairburn and Palmetto and it is anticipated that many plans for this area will develop within the near future and result in an added volume of traffic.



General prospects for the development of territories we serve are bright and are being alertly pursued.

As a public relations gesture we donated the only remaining steam locomotive, the 290, to the City of Atlanta, where it is stationed in Lakewood Park. Appropriate dedicatory exercises were held on October 3, 1958. This action created an amazing amount of public interest and resulted in numerous newspaper articles, editorials, and radio comments as well as television coverage. On February 19, 1959 the General Assembly of the State of Georgia passed a resolution H. R. 194 commending the Atlanta and West Point Rail Road and its management for the gift which served to "preserve the traditions of the State in an era of change".

Your company actively participated in efforts of the nation's railroads to obtain from the 85th Congress remedial legislation affecting problems of the industry. Among outstanding results was the elimination of excise taxes on freight transportation and the provision for a further study of the national transportation policy by the Senate Committee on Interstate and Foreign Commerce. The Transportation Act of 1958 granted some relief to the industry, but to a limited extent only, and there is still much to be accomplished, especially in the major problem of unregulated and subsidized transportation. While some steps in the right direction have been taken, there is a continuing need for vigorous efforts on the part of everyone associated with the industry for constructive and realistic approaches to problems which place railway carriers at a disadvantage in the highly competitive transportation field.

Beginning late in the year 1958 an upturn in general business was noted and there appears real hope that it will continue throughout the year 1959. Efforts to control operating costs, improve the general competitive situation and increase traffic volume are being vigorously continued to keep your company in position to take full advantage of the brighter economy which we confidently anticipate over the next few years.

### MILEAGE OPERATED

Miles of road operated at December 31, 1958, were as follows:

#### MAIN LINE:

|  |       |       |
|--|-------|-------|
| Atlanta to West Point, Ga.                                 |       |       |
| Owned property deeded.....                                 | 85.72 |       |
| Less—Leased to Atlanta Terminal Company.....               | 0.10  | 85.62 |
| Hulsey Junction to Oakland City—Owned property deeded..... |       | 5.16  |
|  |       | 90.78 |

#### TRACKAGE RIGHTS:

|   |      |       |
|---|------|-------|
| Atlanta Terminal Company, Atlanta, Ga.....            | 0.46 |       |
| Central of Georgia Railway, Oakland Junction, Ga..... | 0.05 |       |
| Georgia Railroad, Atlanta Joint Terminals.....        | 2.02 | 2.53  |
| Total mileage operated.....                           |      | 93.31 |

Total mileage operated in freight and passenger service was 90.44 and 86.08 miles, respectively.

### PROPERTIES—ROAD AND EQUIPMENT

Changes in road and equipment accounts are summarized as follows:

|  | Total         | Road         | Equipment    | General Expenditures |
|--|---------------|--------------|--------------|----------------------|
| Balance, January 1, 1958.....              | \$ 10,402,021 | \$ 5,436,317 | \$ 4,850,756 | \$ 114,948           |
| Additions during year.....                 | 75,483        | 74,325       | 1,158        |                      |
| Total.....                                 | \$ 10,477,504 | \$ 5,510,642 | \$ 4,851,914 | \$ 114,948           |
| Retirements.....                           | 67,979        | 34,297       | 33,626       | 56                   |
| Balance, December 31, 1958.....            | \$ 10,409,525 | \$ 5,476,345 | \$ 4,818,288 | \$ 114,892           |
| Less donations and grants.....             | 68,402        |              |              |                      |
| Investment in transportation property..... | \$ 10,341,123 |              |              |                      |

Principal additions to property consisted of the following:

|  |           |
|--|-----------|
| ROAD:  |           |
| Installation of signals to protect crossings.....        | \$ 3,383  |
| Installation of heavier rail and track material.....     | 28,755    |
| Purchase of $\frac{1}{4}$ interest in Matisa tamper..... | 12,612    |
| Water main assessment, Fulton County.....                | 11,810    |
| Total.....   | \$ 56,560 |

#### EQUIPMENT:

There were no major items of equipment purchased during the year.



## TAXES

The following shows amounts of various taxes accrued compared with preceding year:

|                                     |            |            | Increase<br>—Decrease |          |
|-------------------------------------|------------|------------|-----------------------|----------|
|                                     | 1958       | 1957       | Amount                | Per Cent |
| UNITED STATES GOVERNMENT TAXES:     |            |            |                       |          |
| Railroad retirement.....            | \$ 71,338  | \$ 82,892  | \$ —11,554            | —13.94   |
| Unemployment insurance.....         | 28,538     | 26,526     | 2,012                 | 7.59     |
| Other.....                          | 1,295      | 2,253      | —958                  | —42.52   |
| Total.....                          | \$ 101,171 | \$ 111,671 | \$ —10,500            | —9.40    |
| STATE AND LOCAL TAXES:              |            |            |                       |          |
| Property.....                       | \$ 93,795  | \$ 100,227 | \$ —6,432             | —6.42    |
| Sales and use.....                  | 18,228     | 20,617     | —2,389                | —11.59   |
| Other.....                          | 3,275      | 2,925      | 350                   | —11.97   |
| Total.....                          | \$ 115,298 | \$ 123,769 | \$ —8,471             | —6.84    |
| Total railway tax accruals.....     | \$ 216,469 | \$ 235,440 | \$ —18,971            | —8.06    |
| Taxes on nonoperating property..... | 9,627      | 9,411      | 216                   | 2.30     |
| Total all taxes.....                | \$ 226,096 | \$ 244,851 | \$ —18,755            | —7.66    |

Your board and management expresses sincere appreciation to our faithful employees and to our loyal and capable managerial staff.

By order of the Board of Directors:

J. C. MIXON  
President and General Manager



**HASKINS & SELLS**

ACCOUNTANTS

HEALEY BUILDING  
ATLANTA 3ACCOUNTANTS' OPINION

Atlanta and West Point Rail Road Company:

We have examined the balance sheet of Atlanta and West Point Rail Road Company as of December 31, 1958 and the related statements of income and of retained income - unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and of retained income - unappropriated present fairly the financial position of the Company at December 31, 1958 and the results of its operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission applied (except for reclassifications explained in Note 1 to the financial statements) on a basis consistent with that of the preceding year.

Haskins &amp; Sells

April 14, 1959.



**BALANCE SHEET**  
**ASSETS**

|  | December 31            |                        |
|--|------------------------|------------------------|
|  | 1958                   | 1957                   |
| <b>CURRENT ASSETS:</b>   |                        |                        |
| Cash.....  | \$ 295,958.54          | \$ 362,954.39          |
| Temporary cash investments.....  | 798,501.25             | 775,508.25             |
| Net balances receivable from agents and conductors.....                        | 76,207.28              | 71,938.54              |
| Miscellaneous accounts receivable.....   | 142,180.85             | 84,532.19              |
| Accrued accounts receivable.....   | 57,870.97              | 38,380.42              |
| Material and supplies.....   | 416,572.96             | 393,847.71             |
| Prepayments and other current assets.....                                      | 6,252.75               | 6,066.72               |
| Total current assets.....  | \$ 1,793,544.60        | \$ 1,733,228.22        |
| <b>INVESTMENTS:</b>  |                        |                        |
| Investments in affiliated companies.....                                       | \$ 229,114.95          | \$ 228,035.15          |
| Other investments—Miscellaneous.....   | 135,341.18             | 135,482.18             |
| Total investments.....   | \$ 364,456.13          | \$ 363,517.33          |
| <b>PROPERTIES:</b>   |                        |                        |
| Transportation:  |                        |                        |
| Road and Equipment.....  | \$10,409,525.00        | \$10,402,020.25        |
| Less donations and grants.....   | 68,401.55              | 69,047.64              |
| Total transportation property.....   | \$10,341,123.45        | \$10,332,972.61        |
| Less accrued depreciation and amortization.....                                | 3,904,605.03           | 3,730,302.85           |
| Total transportation property less recorded depreciation and amortization..... | \$ 6,436,518.42        | \$ 6,602,669.76        |
| Miscellaneous property.....  | \$ 439,066.78          | \$ 380,918.10          |
| Less accrued depreciation.....   | 158,807.63             | 155,231.39             |
| Total miscellaneous property.....  | \$ 280,259.15          | \$ 225,686.71          |
| Total properties less recorded depreciation and amortization.....              | \$ 6,716,777.57        | \$ 6,828,356.47        |
| <b>OTHER ASSETS AND DEFERRED CHARGES:</b>                                      |                        |                        |
| Other assets.....  | \$ 4,420.40            | \$ 7,235.66            |
| Deferred charges.....  | 99,506.03              | 217,666.91             |
| Total other assets and deferred charges.....                                   | \$ 103,926.43          | \$ 224,902.57          |
| <b>TOTAL</b> .....   | <b>\$ 8,978,704.73</b> | <b>\$ 9,150,004.59</b> |



**BALANCE SHEET**  
**LIABILITIES AND SHAREHOLDERS' EQUITY**

|   | December 31     |                 |
|---|-----------------|-----------------|
|   | 1958            | 1957            |
| <b>CURRENT LIABILITIES:</b>   |                 |                 |
| Traffic and car service balances—net.....   | \$ 228,685.41   | \$ 205,288.79   |
| Audited accounts payable.....   | 129,682.39      | 118,970.77      |
| Miscellaneous accounts payable.....   | 2,999.37        | 62,996.75       |
| Dividends matured unpaid.....   | 1,124.00        | 6,184.00        |
| Unmatured interest accrued.....   | 852.46          | 977.60          |
| Accrued accounts payable.....   | 181,267.98      | 143,143.71      |
| Taxes accrued.....  | 1,305.34        | 1,614.44        |
| Total current liabilities.....  | \$ 545,916.95   | \$ 539,176.06   |
| <b>LONG-TERM DEBT DUE WITHIN ONE YEAR—</b>  |                 |                 |
| Equipment obligations.....  | \$ 120,583.92   | \$ 120,583.92   |
| <b>LONG-TERM DEBT—</b>  |                 |                 |
| Equipment obligations.....  | \$ 927,153.93   | \$ 1,047,737.85 |
| <b>RESERVES—</b>  |                 |                 |
| Insurance.....  | \$ 130,898.83   | \$ 133,329.22   |
| Total reserves.....   | \$ 130,898.83   | \$ 133,329.22   |
| <b>OTHER LIABILITIES AND DEFERRED CREDITS:</b>  |                 |                 |
| Other liabilities.....  | \$ 14,001.18    | \$ 15,825.18    |
| Deferred credits.....   | 87,912.58       | 94,061.16       |
| Total other liabilities and deferred credits.....   | \$ 101,913.76   | \$ 109,886.34   |
| <b>SHAREHOLDERS' EQUITY:</b>  |                 |                 |
| Capital stock—Authorized, 25,000 shares of \$100<br>par value each; outstanding, 24,636 shares..... | \$ 2,463,600.00 | \$ 2,463,600.00 |
| Capital surplus.....  | \$ 20,463.03    | \$ 19,816.94    |
| Retained income:  |                 |                 |
| Appropriated.....   | \$ 237,745.83   | \$ 237,745.83   |
| Unappropriated.....   | 4,430,428.48    | 4,478,128.43    |
| Total retained income.....  | \$ 4,668,174.31 | \$ 4,715,874.26 |
| Total shareholders' equity.....   | \$ 7,152,237.34 | \$ 7,199,291.20 |
| <b>TOTAL</b> .....  | \$ 8,978,704.73 | \$ 9,150,004.59 |

See the accompanying Notes to Financial Statements.



## STATEMENT OF INCOME

| OPERATING INCOME:                                     | 1958            | 1957            | Increase or<br>—Decrease |
|---|-----------------|-----------------|--------------------------|
| <b>Railway Operating Income:</b>                      |                 |                 |                          |
| Railway operating revenues.....                       | \$ 3,658,262.31 | \$ 3,819,262.35 | \$ —161,000.04           |
| Railway operating expenses.....                       | 3,274,605.35    | 3,490,666.95    | —216,061.60              |
| Net revenue from railway operations.....              | \$ 383,656.96   | \$ 328,595.40   | \$ 55,061.56             |
| Railway tax accruals.....                             | 216,468.85      | 235,440.01      | —18,971.16               |
| Railway operating income.....                         | \$ 167,188.11   | \$ 93,155.39    | \$ 74,032.72             |
| <b>Rent Income:</b>                                   |                 |                 |                          |
| Hire of freight cars—Credit balance.....              |                 | \$ 81,432.13    | \$ —81,432.13            |
| Rent from locomotives.....                            | \$ 17,072.70    | 16,692.34       | 380.36                   |
| Rent from passenger-train cars.....                   | 93,039.65       | 127,724.41      | —34,684.76               |
| Rent from work equipment.....                         | 4,175.62        | 3,069.12        | 1,106.50                 |
| Joint facility rent income.....                       | 9,262.46        | 9,512.78        | —250.32                  |
| Total rent income.....                                | \$ 123,550.43   | \$ 238,430.78   | \$ —114,880.35           |
| <b>Rents Payable:</b>                                 |                 |                 |                          |
| Hire of freight cars—Debit balance.....               | \$ 24,680.59    |                 | \$ 24,680.59             |
| Rent for locomotives.....                             | 19,179.92       | \$ 19,923.27    | —743.35                  |
| Rent for passenger-train cars.....                    | 75,094.65       | 81,661.55       | —6,566.90                |
| Rent for work equipment.....                          | 1,286.33        | 910.69          | 375.64                   |
| Joint facility rents.....                             | 266,062.37      | 273,354.28      | —7,291.91                |
| Total rents payable.....                              | \$ 386,303.86   | \$ 375,849.79   | \$ 10,454.07             |
| Net rents.....  | \$ —262,753.43  | \$ —137,419.01  | \$ —125,334.42           |
| Net railway operating income.....                     | \$ —95,565.32   | \$ —44,263.62   | \$ —51,301.70            |
| <b>OTHER INCOME:</b>                                  |                 |                 |                          |
| Miscellaneous rent income.....                        | \$ 30,956.91    | \$ 34,569.56    | \$ —3,612.65             |
| Income from nonoperating property.....                | 25,219.20       | 26,224.69       | —1,005.49                |
| Dividend income.....                                  | 6,095.00        | 3,755.00        | 2,340.00                 |
| Interest income.....                                  | 33,685.60       | 36,341.21       | —2,655.61                |
| Miscellaneous income.....                             | 650.26          | 15.02           | 635.24                   |
| Total other income.....                               | \$ 96,606.97    | \$ 100,905.48   | \$ —4,298.51             |
| Total income.....                                     | \$ 1,041.65     | \$ 56,641.86    | \$ —55,600.21            |
| <b>MISCELLANEOUS DEDUCTIONS FROM INCOME:</b>          |                 |                 |                          |
| Miscellaneous rents.....                              | \$ 240.57       | \$ 147.85       | \$ 92.72                 |
| Miscellaneous tax accruals.....                       | 9,627.10        | 9,411.10        | 216.00                   |
| Miscellaneous income charges.....                     | 326.90          | 101.98          | 224.92                   |
| Total miscellaneous deductions.....                   | \$ 10,194.57    | \$ 9,660.93     | \$ 533.64                |
| Income available for fixed charges.....               | \$ —9,152.92    | \$ 46,980.93    | \$ —56,133.85            |
| <b>FIXED CHARGES:</b>                                 |                 |                 |                          |
| Interest on funded debt.....                          | \$ 34,154.39    | \$ 37,672.07    | \$ —3,517.68             |
| Total fixed charges.....                              | \$ 34,154.39    | \$ 37,672.07    | \$ —3,517.68             |
| Balance of income transferred to Retained Income..... | \$ —43,307.31   | \$ 9,308.86     | \$ —52,616.17            |

—Minus

See Note 2 in the accompanying Notes to Financial Statements.



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**RETAINED INCOME—UNAPPROPRIATED**


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**CREDITS**

|   |                        |
|---|------------------------|
| Retained income—unappropriated January 1, 1958 .....        | \$ 4,478,128.43        |
| Refund of Federal income taxes for years 1952 and 1953..... | 24,157.04              |
| Total credits.....  | <u>\$ 4,502,285.47</u> |

**DEBITS**

|   |                        |
|---|------------------------|
| Net loss for year transferred.....                    | \$ 43,307.31           |
| Dividends to shareholders—                            |                        |
| \$1 a share paid August 1, 1958.....                  | 24,636.00              |
| Equipment donated to City of Atlanta.....             | \$ 3,913.68            |
| Total debits.....                                     | <u>71,856.99</u>       |
| Retained income—unappropriated December 31, 1958..... | <u>\$ 4,430,428.48</u> |

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**NOTES TO FINANCIAL STATEMENTS**

1. Certain reclassifications have been made with respect to amounts in the balance sheet at December 31, 1957 to make them comparable with the classifications effective January 1, 1958 authorized by the Interstate Commerce Commission as follows:

Cash, audited accounts and wages payable, and miscellaneous accounts payable were reduced \$49,638 representing drafts transmitted to payees which remained outstanding at that date.

Casualty and other reserves were reduced and accrued accounts payable increased by \$56,899 for estimates of claims for injuries to persons, loss and damage, and similar items payable within one year.

2. At December 31, 1958 the accumulated income tax reductions realized because of the deduction for income tax purposes only of the excess of amortization of the cost of certain facilities over normal depreciation were \$407,000, of which \$7,000 is applicable to the year 1957. No tax benefits were thus realized for the year 1958 because of a net loss. No provision has been made for possible increased income tax payments in future years resulting from such deductions.

Because of such deductions for the past few years there is a substantial loss carry-forward which can be offset for income tax purposes against profits which may be realized within the next five years.

3. The Company, together with Southern Railway Company and Central of Georgia Railway Company, jointly and severally guarantees unconditionally the payment of principal and interest of the first mortgage series A, 4% bonds of Atlanta Terminal Company due August 1, 1969, of which \$831,000 were outstanding at December 31, 1958.



## OPERATING EXPENSES FOR THE YEARS 1958 AND 1957 AND COMPARISON

| ACCOUNT  | 1958                 | 1957                 | Increase or<br>—Decrease |
|--|----------------------|----------------------|--------------------------|
| <b>Maintenance of Way and Structures:</b>                            |                      |                      |                          |
| 201 Superintendence.....   | \$ 29,932.58         | \$ 29,612.57         | \$ 320.01                |
| 202 Roadway maintenance.....   | 20,086.06            | 29,384.16            | —9,298.10                |
| 208 Bridges, trestles and culverts.....                              | 2,675.12             | 1,659.35             | 1,015.77                 |
| 212 Ties.....  | 67,659.95            | 77,410.01            | —9,750.06                |
| 214 Rails.....   | 1,546.56             | —5,871.15            | 7,417.71                 |
| 216 Other track material.....  | 11,665.91            | 14,523.40            | —2,857.49                |
| 218 Ballast.....   | 6,423.08             | 8,436.40             | —2,013.32                |
| 220 Track laying and surfacing.....                                  | 90,190.11            | 91,184.49            | —994.38                  |
| 221 Fences, snowsheds, and signs.....                                | 1,335.18             | 5,193.40             | —3,858.22                |
| 227 Station and office buildings.....                                | 4,988.47             | 13,833.20            | —8,844.73                |
| 229 Roadway buildings.....   | 687.22               | 1,165.91             | —478.69                  |
| 247 Communication systems.....                                       | 6,662.66             | 9,797.25             | —3,134.59                |
| 249 Signals and interlockers.....                                    | 21,426.79            | 28,697.44            | —7,270.65                |
| 257 Power-transmission systems.....                                  |                      | —1.19                | 1.19                     |
| 265 Miscellaneous structures.....                                    | 184.47               | 138.53               | 45.94                    |
| 266 Road property—Depreciation:                                      |                      |                      |                          |
| Engineering.....   | 1,104.48             | 1,106.16             | —1.68                    |
| Grading.....   | 411.53               | 411.48               | .05                      |
| Tunnels and subways.....   | 395.04               | 395.04               |                          |
| Bridges, trestles and culverts.....                                  | 10,638.72            | 10,623.87            | 14.85                    |
| Rails.....   | 32,011.92            | 28,635.36            | 3,376.56                 |
| Other track material.....  | 19,234.92            | 15,988.68            | 3,246.24                 |
| Fences, snowsheds and signs.....                                     | 602.19               | 602.40               | —21                      |
| Station and office buildings.....                                    | 6,650.61             | 6,662.96             | —12.35                   |
| Roadway buildings.....   | 146.84               | 214.56               | —67.72                   |
| Fuel stations.....   | 134.04               | 134.04               |                          |
| Shops and enginehouses.....  | 76.32                | 76.32                |                          |
| Communication systems.....   | 1,374.00             | 1,374.00             |                          |
| Signals and interlockers.....  | 4,232.09             | 4,238.93             | —6.84                    |
| Roadway machines.....  | 4,014.69             | 2,594.76             | 1,419.93                 |
| Public improvements—Construction.....                                | 2,893.85             | 2,617.20             | 276.65                   |
| 267 Retirements—Road.....  | 2,491.81             | 1,533.10             | 958.71                   |
| 269 Roadway machines.....  | 7,104.75             | 4,403.29             | 2,701.46                 |
| 270 Dismantling retired road property.....                           | —2,780.48            | 4,562.77             | —7,343.25                |
| 271 Small tools and supplies.....                                    | 5,979.37             | 6,797.60             | —818.23                  |
| 272 Removing snow, ice and sand.....                                 | 6.93                 |                      | 6.93                     |
| 273 Public improvements—Maintenance.....                             | 6,438.53             | 6,890.97             | —452.44                  |
| 274 Injuries to persons.....   | 1,521.30             | 2,827.29             | —1,305.99                |
| 275 Insurance.....   | 561.19               | 598.53               | —37.34                   |
| 276 Stationery and printing.....                                     | 396.23               | 412.43               | —16.20                   |
| 277 Other expenses.....  | 5,099.84             | 6,538.60             | —1,438.76                |
| 278 Maintaining joint tracks, yards and other facilities—Debit.....  | 73,421.06            | 107,082.86           | —33,661.80               |
| 279 Maintaining joint tracks, yards and other facilities—Credit..... | —4,862.75            | —5,114.46            | 251.71                   |
| <b>Total.....</b>  | <b>\$ 444,763.18</b> | <b>\$ 517,372.51</b> | <b>\$ —72,609.33</b>     |
| <b>Maintenance of Equipment:</b>                                     |                      |                      |                          |
| 301 Superintendence.....   | \$ 21,737.56         | \$ 20,108.78         | \$ 1,628.78              |
| 311 Other locomotives—Repairs.....                                   | 154,880.99           | 184,642.73           | —29,761.74               |
| 314 Freight train cars—Repairs.....                                  | 181,937.03           | 206,244.40           | —24,307.37               |
| 317 Passenger train cars—Repairs.....                                | 53,596.91            | 114,687.58           | —61,090.67               |
| 326 Work equipment—Repairs.....                                      | 2,162.42             | 2,702.49             | —540.07                  |
| 328 Miscellaneous equipment—Repairs.....                             | 1,553.45             | 1,180.04             | 373.41                   |
| 331 Equipment—Depreciation.....                                      | 171,688.32           | 172,301.00           | —612.68                  |
| 332 Injuries to persons.....   | 6,622.13             | 1,459.13             | 5,163.00                 |
| 333 Insurance.....   | 1,912.32             | 1,805.93             | 106.39                   |
| 334 Stationery and printing.....                                     | 768.75               | 871.62               | —102.87                  |
| 335 Other expenses.....  | 9,477.78             | 11,570.50            | —2,092.72                |
| 336 Joint maintenance of equipment expenses—Debit.....               | 15,003.02            | 10,681.69            | 4,321.33                 |
| 337 Joint maintenance of equipment expenses—Credit.....              | —456.72              | —638.43              | 181.71                   |
| <b>Total.....</b>  | <b>\$ 620,883.96</b> | <b>\$ 727,617.46</b> | <b>\$ —106,733.50</b>    |

—Minus



## OPERATING EXPENSES FOR THE YEARS 1958 AND 1957 AND COMPARISON

| ACCOUNT   | 1958            | 1957            | Increase or<br>—Decrease |
|---|-----------------|-----------------|--------------------------|
| <b>Traffic:</b>   |                 |                 |                          |
| 351 Superintendence.....                                | \$ 50,586.92    | \$ 50,374.43    | \$ 212.49                |
| 352 Outside agencies.....                               | 126,880.32      | 132,361.47      | —5,481.15                |
| 353 Advertising.....                                    | 1,269.86        | 2,069.51        | —799.65                  |
| 354 Traffic associations.....                           | 3,710.65        | 3,692.10        | 18.55                    |
| 356 Industrial and immigration bureaus.....             | 7,115.03        | 7,961.91        | —846.88                  |
| 357 Insurance.....                                      | 70.34           | 70.36           | —0.02                    |
| 358 Stationery and printing.....                        | 10,751.66       | 10,804.35       | —52.69                   |
| 359 Other expenses.....                                 | 2,849.26        | 2,212.70        | 636.56                   |
| Total.....  | \$ 203,234.04   | \$ 209,546.83   | \$ —6,312.79             |
| <b>Transportation—Rail Line:</b>                        |                 |                 |                          |
| 371 Superintendence.....                                | \$ 26,651.91    | \$ 26,446.82    | \$ 205.09                |
| 372 Dispatching trains.....                             | 18,759.48       | 17,255.21       | 1,504.27                 |
| 373 Station employees.....                              | 147,237.14      | 154,955.26      | —7,718.12                |
| 374 Weighing, inspection and demurrage bureaus.....     | 9,296.55        | 8,692.53        | 604.02                   |
| 376 Station supplies and expenses.....                  | 5,835.14        | 5,982.97        | —147.83                  |
| 378 Yard conductors and brakemen.....                   | 15,252.55       | 15,889.93       | —637.38                  |
| 380 Yard enginemen.....                                 | 15,709.59       | 13,098.84       | 2,610.75                 |
| 382 Yard switching fuel—Diesel.....                     | 3,327.60        | 3,668.24        | —340.64                  |
| 385 Water for yard locomotives.....                     | 25.85           | —7.05           | 32.90                    |
| 386 Lubricants for yard locomotives.....                | .87             | 2.01            | —1.14                    |
| 387 Other supplies for yard locomotives.....            | 459.64          | 123.76          | 335.88                   |
| 388 Enginehouse expenses—Yard.....                      | 87.04           |                 | 87.04                    |
| 389 Yard supplies and expenses.....                     |                 | 3.53            | —3.53                    |
| 390 Operating joint yards and terminals—Debit.....      | 619,478.94      | 617,902.26      | 1,576.68                 |
| 392 Train enginemen.....                                | 170,265.98      | 177,617.97      | —7,351.99                |
| 394 Train fuel—Diesel.....                              | 160,342.47      | 183,721.63      | —23,379.16               |
| 397 Water for train locomotives.....                    | 556.18          | 536.35          | 19.83                    |
| 398 Lubricants for train locomotives.....               | 11,487.56       | 11,355.59       | 131.97                   |
| 399 Other supplies for train locomotives.....           | 1,235.90        | 1,858.91        | —623.01                  |
| 400 Enginehouse expenses—Train.....                     | 64,413.04       | 76,638.04       | —12,225.00               |
| 401 Trainmen.....                                       | 213,718.08      | 235,998.36      | —22,280.28               |
| 402 Train supplies and expenses.....                    | 56,707.99       | 66,320.16       | —9,612.17                |
| 403 Operating sleeping cars.....                        | 29,892.57       | 31,929.10       | —2,036.53                |
| 404 Signal and interlocker operation.....               | 11,152.02       | 9,825.02        | 1,327.00                 |
| 405 Crossing protection.....                            | 12,327.82       | 17,218.93       | —4,891.11                |
| 407 Communication system operation.....                 | 873.90          | 1,049.08        | —175.18                  |
| 410 Stationery and printing.....                        | 6,580.75        | 5,549.77        | 1,030.98                 |
| 411 Other expenses.....                                 | 7,687.26        | 7,108.14        | 579.12                   |
| 412 Operating joint tracks and facilities—Debit.....    | 18,417.70       | 16,065.09       | 2,352.61                 |
| 413 Operating joint tracks and facilities—Credit.....   | —6,261.28       | —8,166.58       | 1,905.30                 |
| 414 Insurance.....                                      | 4,845.59        | 4,086.13        | 759.46                   |
| 415 Clearing wrecks.....                                | 25,161.24       | 13,836.75       | 11,324.49                |
| 416 Damage to property.....                             | 3,085.97        | 5,814.54        | —2,728.57                |
| 417 Damage to live stock on right of way.....           |                 | 60.67           | —60.67                   |
| 418 Loss and damage—Freight.....                        | 68,391.05       | 34,540.67       | 33,850.38                |
| 419 Loss and damage—Baggage.....                        | 41.37           | 36.22           | 5.15                     |
| 420 Injuries to persons.....                            | 28,021.95       | 22,132.88       | 5,889.07                 |
| Total.....  | \$ 1,751,067.41 | \$ 1,779,147.73 | \$ —28,080.32            |
| <b>Miscellaneous Operations:</b>                        |                 |                 |                          |
| 441 Dining and buffet service.....                      | \$ 37,237.98    | \$ 40,711.20    | \$ —3,473.22             |
| Total.....  | \$ 37,237.98    | \$ 40,711.20    | \$ —3,473.22             |
| <b>General:</b>   |                 |                 |                          |
| 451 Salaries and expenses of general officers.....      | \$ 34,802.65    | \$ 32,919.42    | \$ 1,883.23              |
| 452 Salaries and expenses of clerks and attendants..... | 123,637.20      | 124,388.85      | —751.65                  |
| 453 General office supplies and expenses.....           | 10,460.17       | 10,339.41       | 120.76                   |
| 454 Law expenses.....                                   | 12,011.39       | 12,036.53       | —25.14                   |
| 455 Insurance.....                                      | 167.17          | 199.67          | —32.50                   |
| 457 Pensions and gratuities.....                        | 8,243.07        | 5,736.64        | 2,506.43                 |
| 458 Stationery and printing.....                        | 5,799.55        | 6,331.20        | —531.65                  |
| 460 Other expenses.....                                 | 7,261.24        | 6,836.35        | 424.89                   |
| 461 General joint facilities—Debit.....                 | 15,036.34       | 17,483.15       | —2,446.81                |
| Total.....  | \$ 217,418.78   | \$ 216,271.22   | \$ 1,147.56              |
| Total railway operating expenses.....                   | \$ 3,274,605.35 | \$ 3,490,666.95 | \$ —216,061.60           |
| Ratio of operating expenses to operating revenues.....  | 89.51           | 91.40           | —1.89                    |

—Minus



## RAILWAY OPERATING REVENUES

| YEAR ENDED<br>DECEMBER 31 | Freight        | Passenger     | Mail          | Express      | All Other<br>Transportation<br>Rail Line | Incidental    | Joint<br>Facility<br>Credit | Joint<br>Facility<br>Debit | Total<br>Railway<br>Operating<br>Revenues |
|---------------------------|----------------|---------------|---------------|--------------|--|---------------|-----------------------------|----------------------------|---|
| 1949                      | \$3,009,092.47 | \$ 534,830.25 | \$ 147,118.41 | \$ 78,211.96 | \$ 72,469.73                             | \$ 107,031.38 | \$ 63,517.25                | \$ 192.63                  | \$4,012,078.82                            |
| 1950                      | 3,293,085.21   | 512,001.76    | 243,694.14    | 82,002.43    | 69,524.22                                | 117,291.30    | 59,520.20                   | 210.25                     | 4,376,909.01                              |
| 1951                      | 3,401,038.81   | 588,080.67    | 222,066.42    | 79,632.98    | 81,907.19                                | 141,040.42    | 59,966.65                   | 152.05                     | 4,573,561.09                              |
| 1952                      | 3,379,936.88   | 573,169.23    | 198,339.86    | 137,701.96   | 78,769.58                                | 123,780.07    | 64,020.99                   | 225.96                     | 4,555,492.61                              |
| 1953                      | 3,346,534.16   | 474,791.89    | 306,610.09    | 114,700.23   | 87,867.56                                | 114,132.43    | 63,811.32                   | 157.54                     | 4,508,290.14                              |
| 1954                      | 2,860,359.99   | 412,063.17    | 253,152.81    | 130,254.01   | 80,943.13                                | 96,418.72     | 58,553.64                   | 160.23                     | 3,891,590.24                              |
| 1955                      | 2,584,637.18   | 331,909.74    | 183,843.37    | 199,096.26   | 101,482.78                               | 95,215.22     | 67,049.00                   | 160.17                     | 3,563,073.38                              |
| 1956                      | 3,001,663.72   | 364,751.65    | 208,691.30    | 195,818.83   | 73,892.28                                | 95,717.03     | 131,763.43                  | 289.86                     | 4,072,008.38                              |
| 1957                      | 2,818,767.31   | 341,992.42    | 228,678.35    | 165,689.09   | 72,444.67                                | 86,359.63     | 105,428.44                  | 97.56                      | 3,819,262.35                              |
| 1958                      | 2,718,845.76   | 286,998.28    | 241,616.42    | 162,880.15   | 74,546.85                                | 75,120.84     | 98,352.37                   | 98.36                      | 3,658,262.31                              |

## RAILWAY OPERATING EXPENSES AND NET REVENUE FROM RAILWAY OPERATIONS

| YEAR ENDED<br>DECEMBER 31 | Maintenance of<br>Way and<br>Structures | Maintenance of<br>Equipment | Traffic       | Transportation<br>Rail Line | Miscellaneous<br>Operations | General       | Total<br>Railway<br>Operating<br>Expenses | Net Revenue<br>From<br>Railway<br>Operations | Ratio<br>Operating<br>Expenses to<br>Operating<br>Revenues |
|---------------------------|---|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|---|--|--|
| 1949                      | \$ 456,782.20                           | \$ 591,883.61               | \$ 167,437.74 | \$1,987,240.29              | \$ 89,151.56                | \$ 191,169.40 | \$3,433,664.80                            | \$ 528,414.02                                | 86.83  |
| 1950                      | 485,009.50                              | 562,965.61                  | 166,852.57    | 1,914,002.85                | 69,380.48                   | 201,556.64    | 3,399,767.65                              | 977,141.36                                   | 77.68  |
| 1951                      | 566,605.57                              | 672,893.02                  | 187,535.84    | 1,955,573.57                | 78,163.85                   | 220,908.55    | 3,681,685.40                              | 891,875.69                                   | 80.50  |
| 1952                      | 558,757.84                              | 731,528.15                  | 182,049.54    | 1,919,947.15                | 78,285.44                   | 213,404.69    | 3,683,972.81                              | 871,519.80                                   | 80.87  |
| 1953                      | 692,467.38                              | 765,262.19                  | 180,626.51    | 1,819,125.14                | 70,208.99                   | 211,582.96    | 3,749,273.17                              | 759,016.97                                   | 83.16  |
| 1954                      | 533,633.77                              | 659,262.86                  | 167,423.33    | 1,673,546.16                | 59,692.25                   | 195,945.21    | 3,302,503.58                              | 589,086.66                                   | 84.86  |
| 1955                      | 480,279.06                              | 689,213.05                  | 180,121.10    | 1,469,732.92                | 48,164.30                   | 179,819.54    | 3,047,329.97                              | 515,743.41                                   | 85.53  |
| 1956                      | 555,446.05                              | 784,112.47                  | 205,817.79    | 1,767,205.16                | 56,796.23                   | 213,973.36    | 3,583,351.06                              | 488,657.32                                   | 88.00  |
| 1957                      | 517,372.51                              | 727,617.46                  | 209,546.83    | 1,779,147.73                | 40,711.20                   | 216,271.22    | 3,490,666.95                              | 328,595.40                                   | 91.40  |
| 1958                      | 444,763.18                              | 620,883.96                  | 203,234.04    | 1,751,067.41                | 37,237.98                   | 217,418.78    | 3,274,605.35                              | 383,656.96                                   | 89.51  |



## CLASSIFICATION OF FREIGHT TRAFFIC

| COMMODITY                                |   | 1958                               |                         | 1957                         |                         | Increase<br>or<br>—Decrease<br>Tons |
|--|---|------------------------------------|-------------------------|------------------------------|-------------------------|-------------------------------------|
|  |   | No. of<br>Tons<br>2,000 lbs.       | P/C to<br>Total<br>Tons | No. of<br>Tons<br>2,000 lbs. | P/C to<br>Total<br>Tons |                                     |
| Products of Agriculture                  | Grain and products, hay, tobacco.....             | 40,294                             | 1.90                    | 34,677                       | 1.57                    | 5,617                               |
|  | Cotton in bales.....                              | 130,861                            | 6.17                    | 133,896                      | 6.05                    | —3,035                              |
|  | Linters, cottonseed, and products.....            | 27,524                             | 1.30                    | 28,083                       | 1.27                    | —559                                |
|  | Fruits, fresh, and melons.....                    | 22,961                             | 1.08                    | 20,873                       | 0.94                    | 2,088                               |
|  | Fruits, dried and frozen.....                     | 1,260                              | 0.06                    | 922                          | 0.04                    | 338                                 |
|  | Coffee.....                                       | 2,596                              | 0.12                    | 2,740                        | 0.12                    | —144                                |
|  | Cabbage, celery, lettuce, onions.....             | 10,126                             | 0.48                    | 10,226                       | 0.46                    | —100                                |
|  | Potatoes, other than sweet.....                   | 14,134                             | 0.67                    | 12,704                       | 0.57                    | 1,430                               |
|  | Tomatoes, vegetables, fresh.....                  | 3,261                              | 0.15                    | 2,055                        | 0.09                    | 1,206                               |
|  | Vegetables, dried and frozen.....                 | 2,276                              | 0.11                    | 1,909                        | 0.09                    | 367                                 |
|  | Peanuts.....                                      | 3,279                              | 0.15                    | 2,998                        | 0.14                    | 281                                 |
|  | Other products of agriculture.....                | 1,868                              | 0.08                    | 2,476                        | 0.11                    | —608                                |
|  | Total.....  | 260,440                            | 12.27                   | 253,559                      | 11.45                   | 6,881                               |
| Animals and Products                     | Cattle, calves, sheep and swine.....              | 800                                | 0.04                    | 5,044                        | 0.23                    | —4,244                              |
|  | Meat, margarine, poultry and eggs.....            | 3,676                              | 0.17                    | 7,582                        | 0.34                    | —3,906                              |
|  | Butter, cheese, dairy products.....               | 5,443                              | 0.26                    | 1,662                        | 0.08                    | 3,781                               |
|  | Wool and mohair.....                              | 84                                 | —                       | 39                           | —                       | 45                                  |
|  | Hides and other products of animals.....          | 1,950                              | 0.09                    | 2,770                        | 0.12                    | —820                                |
| Total.....                               | 11,953  | 0.56                               | 17,097                  | 0.77                         | —5,144                  |                                     |
| Products of Mines                        | Coal and coke.....                                | 50,508                             | 2.38                    | 37,655                       | 1.70                    | 12,853                              |
|  | Ores, iron, copper, lead, barytes.....            | 129,849                            | 6.12                    | 119,688                      | 5.40                    | 10,161                              |
|  | Clay, sand and gravel.....                        | 166,960                            | 7.87                    | 203,500                      | 9.19                    | —36,540                             |
|  | Stone and rock.....                               | 154,979                            | 7.30                    | 181,390                      | 8.19                    | —26,411                             |
|  | Petroleum, crude.....                             | 62                                 | —                       | 121                          | 0.01                    | —59                                 |
|  | Asphalt.....                                      | 20,263                             | 0.95                    | 15,615                       | 0.71                    | 4,648                               |
|  | Salt.....   | 20,210                             | 0.95                    | 18,879                       | 0.85                    | 1,331                               |
|  | Phosphate rock.....                               | 5,725                              | 0.27                    | 5,357                        | 0.24                    | 368                                 |
|  | Sulphur.....                                      | 11,004                             | 0.52                    | 9,840                        | 0.45                    | 1,164                               |
|  | Products of mines, N. O. S.....                   | 37,897                             | 1.80                    | 26,537                       | 1.20                    | 11,360                              |
|  | Total.....  | 597,457                            | 28.16                   | 618,582                      | 27.94                   | —21,125                             |
|  | Products of Forests                               | Logs, posts, poles, wood fuel..... | 3,382                   | 0.16                         | 1,245                   | 0.06                                |
| Ties, railroad.....                      |   | 432                                | 0.02                    | 620                          | 0.03                    | —188                                |
| Pulpwood.....                            |   | 90,791                             | 4.28                    | 101,539                      | 4.58                    | —10,748                             |
| Lumber, shingles and lath.....           |   | 57,860                             | 2.73                    | 61,021                       | 2.76                    | —3,161                              |
| Cooperage material, veneer, plywood..... |   | 12,204                             | 0.57                    | 9,939                        | 0.45                    | 2,265                               |
| Rosin and turpentine.....                |   | 1,348                              | 0.06                    | 890                          | 0.04                    | 458                                 |
| Products of forests, N. O. S.....        |   | 2,304                              | 0.11                    | 2,350                        | 0.10                    | —46                                 |
| Total.....                               | 168,321   | 7.93                               | 177,604                 | 8.02                         | —9,283                  |                                     |
| Manufactures and<br>Miscellaneous        | Gasoline, petroleum and gases.....                | 104,651                            | 4.93                    | 87,442                       | 3.95                    | 17,209                              |
|  | Oils, cottonseed, vegetable, etc.....             | 34,100                             | 1.61                    | 30,150                       | 1.36                    | 3,950                               |
|  | Rubber, rubber goods, chemicals.....              | 42,877                             | 2.02                    | 54,541                       | 2.46                    | —11,664                             |
|  | Sulphuric acid.....                               | 45,432                             | 2.14                    | 77,377                       | 3.49                    | —31,945                             |
|  | Acids, sodium, alcohol.....                       | 77,967                             | 3.68                    | 72,430                       | 3.27                    | 5,537                               |
|  | Fertilizers, N. O. S.....                         | 77,705                             | 3.66                    | 73,528                       | 3.32                    | 4,177                               |
|  | Tar, paint, drugs, toilet articles.....           | 14,134                             | 0.67                    | 7,391                        | 0.33                    | 6,743                               |
|  | Iron, pig, bar, nails, pipe, tanks.....           | 80,504                             | 3.79                    | 83,079                       | 3.75                    | —2,575                              |
|  | Agricultural implements, machinery.....           | 7,534                              | 0.36                    | 8,550                        | 0.39                    | —1,016                              |
|  | Vehicles, automobiles, airplanes.....             | 11,248                             | 0.53                    | 9,846                        | 0.44                    | 1,402                               |
|  | Cement.....                                       | 93,089                             | 4.39                    | 82,408                       | 3.72                    | 10,681                              |
|  | Brick, artificial stone.....                      | 25,032                             | 1.18                    | 30,786                       | 1.39                    | —5,754                              |
|  | Lime, plaster.....                                | 7,721                              | 0.36                    | 8,562                        | 0.39                    | —841                                |
|  | Woodpulp, rags, paper, pulpboard.....             | 192,447                            | 9.07                    | 220,811                      | 9.97                    | —28,364                             |
|  | Building Material.....                            | 11,114                             | 0.53                    | 10,071                       | 0.45                    | 1,043                               |
|  | Glassware, refrigerators, stoves.....             | 26,541                             | 1.25                    | 24,091                       | 1.09                    | 2,450                               |
|  | Bagging, cotton factory products.....             | 21,380                             | 1.01                    | 28,832                       | 1.30                    | —7,452                              |
|  | Sugar.....  | 38,393                             | 1.81                    | 33,157                       | 1.50                    | 5,236                               |
|  | Candy, soap, tobacco, cigarettes.....             | 71,685                             | 3.38                    | 66,138                       | 2.99                    | 5,547                               |
|  | Scrap iron and steel, borings, etc.....           | 15,925                             | 0.75                    | 23,781                       | 1.07                    | —7,856                              |
|  | Furnace slag.....                                 | 6,228                              | 0.29                    | 7,538                        | 0.34                    | —1,310                              |
|  | Other manufactures and miscellaneous.....         | 65,124                             | 3.06                    | 90,521                       | 4.10                    | —25,397                             |
|  | Total.....  | 1,070,831                          | 50.47                   | 1,131,030                    | 51.07                   | —60,199                             |
|  | Forwarder Traffic (C. L.).....                    | 39                                 | —                       | 51                           | —                       | —12                                 |
|  | GRAND TOTAL, CARLOAD TRAFFIC.....                 | 2,109,041                          | 99.39                   | 2,197,923                    | 99.25                   | —88,882                             |
|  | All L. C. L. Freight.....                         | 12,906                             | 0.61                    | 16,648                       | 0.75                    | —3,742                              |
|  | GRAND TOTAL, CARLOAD AND<br>L. C. L. TRAFFIC..... | 2,121,947                          | 100.00                  | 2,214,571                    | 100.00                  | —92,624                             |



## FREIGHT AND PASSENGER STATISTICS

| FREIGHT TRAFFIC   | 1958         | 1957         | Increase or Decrease |         |
|---|--------------|--------------|----------------------|---------|
|   |              |              | Amount               | Percent |
| 1 Number of tons carried.....                                   | 2,121,947    | 2,214,571    | -92,624              | -4.18   |
| 2 Number of tons carried one mile.....                          | 157,151,586  | 158,336,500  | -1,184,914           | -0.75   |
| 3 Number of tons per mile of road (Average).....                | 23,462       | 24,487       | -1,025               | -4.19   |
| 4 Number of tons carried one mile per mile of road.....         | 1,737,634    | 1,750,735    | -13,101              | -0.75   |
| 5 Number of tons in each train (Average).....                   | 757.30       | 672.71       | 84.59                | 12.57   |
| 6 Number of tons in each loaded car (Average).....              | 23.28        | 25.61        | -2.33                | -9.10   |
| 7 Average distance one ton carried (Miles).....                 | 74.06        | 71.50        | 2.56                 | 3.58    |
| 8 Revenue per ton per mile.....                                 | \$ 0.01730   | \$ 0.01780   | \$ -0.00050          | -2.81   |
| 9 Revenue per mile of road.....                                 | 30,062.43    | 31,167.26    | -1,104.83            | -3.54   |
| 10 Revenue per freight train mile.....                          | 17.97        | 14.47        | 3.50                 | 24.19   |
| 11 Revenue per freight car mile—Loads.....                      | 0.55243      | 0.55078      | 0.00165              | 0.30    |
| 12 Revenue per freight car mile—Total.....                      | 0.35638      | 0.37519      | -0.01881             | -5.01   |
| 13 Revenue per ton.....   | 1.28         | 1.27         | 0.01                 | 0.79    |
| PASSENGER TRAFFIC   |              |              |                      |         |
| 1 Number of passengers carried.....                             | 109,711      | 131,780      | -22,069              | -16.75  |
| 2 Number of passengers carried one mile.....                    | 9,199,398    | 10,979,358   | -1,779,960           | -16.21  |
| 3 Number of passengers per mile of road (Average).....          | 1,275        | 1,531        | -256                 | -16.72  |
| 4 Number of pass. carried one mile per mile of road.....        | 106,870      | 127,548      | -20,678              | -16.21  |
| 5 Number of passengers in each train (Average).....             | 57           | 60           | -3                   | -5.00   |
| 6 Number of passengers in each car (Average).....               | 12           | 11           | 1                    | 9.09    |
| 7 Average distance each passenger (Miles).....                  | 83.85        | 83.31        | 0.54                 | 0.65    |
| 8 †Passenger service train revenue per mile of road.....        | \$ 8,044.81  | \$ 8,565.31  | \$ -520.50           | -6.08   |
| 9 †Passenger service train revenue per pass. train mile.....    | 4.22         | 3.92         | 0.30                 | 7.65    |
| 10 †Passenger service train revenue per pass. car mile.....     | 0.44138      | 0.41071      | 0.03067              | 7.47    |
| 11 *Revenue per passenger per mile.....                         | 0.03119      | 0.03115      | 0.00004              | 0.13    |
| 12 *Revenue per passenger.....                                  | 2.62         | 2.60         | 0.02                 | 0.77    |
| ALL TRAFFIC   |              |              |                      |         |
| Railway operating revenues per mile of road.....                | \$ 39,205.47 | \$ 40,930.90 | \$ -1,725.43         | -4.22   |
| Railway operating revenues per revenue train mile.....          | 11.60        | 9.98         | 1.62                 | 16.23   |
| Railway operating expenses per mile of road.....                | \$ 35,093.83 | \$ 37,409.35 | \$ -2,315.52         | -6.19   |
| Railway operating expenses per revenue train mile.....          | 10.38        | 9.12         | 1.26                 | 13.82   |
| Per cent of railway operating expenses to oper. revenue.....    | 89.51        | 91.40        | -1.89                | -2.07   |
| Net revenue per mile of road.....                               | \$ 4,111.64  | \$ 3,521.55  | \$ 590.09            | 16.76   |
| Net revenue per revenue train mile.....                         | 1.22         | 0.86         | 0.36                 | 41.86   |
| Per cent of net revenue to total revenue.....                   | 10.49        | 8.60         | 1.89                 | 21.98   |
| Railway operating expenses and taxes per mile of road....       | \$ 37,413.72 | \$ 39,932.55 | \$ -2,518.83         | -6.31   |
| Railway operating expenses and taxes per rev. train mile.....   | 11.07        | 9.73         | 1.34                 | 13.77   |
| Per cent of operating expenses and taxes to total revenues..... | 95.43        | 97.56        | -2.13                | -2.18   |

\* Revenue excludes mail, express, excess baggage, other passenger-train and milk.

† Revenue includes mail, express, excess baggage, other passenger-train and milk.

—Decrease.



## TRAIN, LOCOMOTIVE AND CAR MILES

| CLASS                                  |  | 1958      | 1957      | Increase<br>or<br>—Decrease |
|--|--|-----------|-----------|-----------------------------|
| <b>TRAIN MILES</b>                     |  |           |           |                             |
| 801                                    | Freight.....                               | 151,307   | 194,833   | —43,526                     |
| 802                                    | Passenger.....                             | 164,076   | 188,015   | —23,939                     |
| Total Revenue Service Train Miles..... |  | 315,383   | 382,848   | —67,465                     |
| 805                                    | Non-Revenue Service Train Miles.....       | 825       | 1,044     | —219                        |
| TOTAL TRAIN MILES.....                 |  | 316,208   | 383,892   | —67,684                     |
| <b>LOCOMOTIVE MILES</b>                |  |           |           |                             |
| 811                                    | Freight—Principal.....                     | 151,307   | 194,833   | —43,526                     |
|  | Freight—Helper.....                        | 254,814   | 224,475   | 30,339                      |
| 812                                    | Passenger—Principal.....                   | 164,076   | 188,015   | —23,939                     |
|  | Passenger—Helper.....                      | 149,709   | 181,987   | —32,278                     |
|  | Passenger—Light.....                       | 11,010    | 12,984    | —1,974                      |
| 815                                    | Switching—Train.....                       | 57,095    | 48,999    | 8,096                       |
| 816                                    | Switching—Yard—Freight.....                | 15,672    | 15,270    | 402                         |
| Total Revenue Locomotive Miles.....    |  | 803,683   | 866,563   | —62,880                     |
| 817                                    | Non-Revenue Locomotive Miles.....          | 825       | 1,044     | —219                        |
| TOTAL LOCOMOTIVE MILES.....            |  | 804,508   | 867,607   | —63,099                     |
| <b>FREIGHT CAR MILES</b>               |  |           |           |                             |
| 821                                    | Freight Loaded.....                        | 4,921,589 | 5,117,787 | —196,198                    |
|  | Freight Empty.....                         | 2,568,872 | 2,210,837 | 358,035                     |
|  | System Caboose.....                        | 138,662   | 184,230   | —45,568                     |
| Total Freight Car Miles.....           |  | 7,629,123 | 7,512,854 | 116,269                     |
| <b>PASSENGER CAR MILES</b>             |  |           |           |                             |
| 822                                    | Passenger Coaches.....                     | 321,058   | 412,793   | —91,735                     |
|  | Sleeping and Parlor Cars.....              | 421,598   | 490,695   | —69,097                     |
|  | Club, Lounge, Dining and Observation.....  | 64,840    | 80,714    | —15,874                     |
|  | Business.....                              | 3,332     | 3,505     | —173                        |
|  | Mail, Express and Baggage.....             | 688,530   | 740,930   | —52,400                     |
|  | Combination Passenger and Baggage.....     | 62,073    | 62,586    | —513                        |
|  | Passenger Car Miles in Freight Trains..... | 7,509     | 3,975     | 3,534                       |
| Total Passenger Car Miles.....         |  | 1,568,940 | 1,795,198 | —226,258                    |
| Total Revenue Car Miles.....           |  | 9,198,063 | 9,308,052 | —109,989                    |
| 825                                    | Non-Revenue Service Car Miles.....         | 260       | 540       | —280                        |
| TOTAL CAR MILES.....                   |  | 9,198,323 | 9,308,592 | —110,269                    |

—Minus



## INVESTMENT IN ROAD, EQUIPMENT AND GENERAL FOR THE YEAR ENDED DECEMBER 31, 1958

| ROAD                                  |                                       | Additions    | Retirements  | Net Totals   |
|---------------------------------------|---------------------------------------|--------------|--------------|--------------|
| 1                                     | Engineering.....                      | \$ 507.52    |              | \$ 507.52    |
| 2                                     | Land for transportation purposes..... | 1,414.98     |              | 1,414.98     |
| 3                                     | Grading.....                          |              | \$ 333.75    | —333.75      |
| 8                                     | Ties.....                             | 699.66       | 1,581.24     | —881.58      |
| 9                                     | Rails.....                            | 8,279.99     | 1,703.92     | 6,576.07     |
| 10                                    | Other track material.....             | 20,964.99    | 4,564.88     | 16,400.11    |
| 11                                    | Ballast.....                          |              | 63.00        | —63.00       |
| 12                                    | Track laying and surfacing.....       | 152.33       | 988.33       | —836.00      |
| 13                                    | Fences, snowsheds, and signs.....     |              | .94          | — .94        |
| 16                                    | Station and office buildings.....     |              | 194.89       | —194.89      |
| 17                                    | Roadway Buildings.....                |              | 9,126.15     | —9,126.15    |
| 27                                    | Signals and interlockers.....         | 10,415.89    | 15,664.19    | —5,248.30    |
| 37                                    | Roadway Machines.....                 | 17,107.56    |              | 17,107.56    |
| 39                                    | Public improvements—Construction..... | 14,782.68    | 75.82        | 14,706.86    |
| Total expenditures for road.....      |                                       | \$ 74,325.60 | \$ 34,297.11 | \$ 40,028.49 |
| EQUIPMENT                             |                                       |              |              |              |
| 53                                    | Freight-train cars.....               |              | \$ 15,220.22 | \$—15,220.22 |
| 54                                    | Passenger-train cars.....             |              | 17,491.17    | —17,491.17   |
| 58                                    | Miscellaneous Equipment.....          | \$ 1,158.15  | 914.02       | 244.13       |
| Total expenditures for equipment..... |                                       | \$ 1,158.15  | \$ 33,625.41 | \$—32,467.26 |
| GENERAL                               |                                       |              |              |              |
| Expenditures for general.....         |                                       |              | \$ 56.48     | \$ —56.48    |
| Total expenditures for general.....   |                                       |              | \$ 56.48     | \$ —56.48    |
| Total.....                            |                                       | \$ 75,483.75 | \$ 67,979.00 | \$ 7,504.75  |

—Minus



## EQUIPMENT

|                                | Locomotives     | Freight-Train<br>Cars | Passenger-Train<br>Cars | Work<br>Equipment<br>* |
|--------------------------------|-----------------|-----------------------|-------------------------|------------------------|
|                                | Diesel-Electric |                       |                         |                        |
| On hand January 1, 1958.....   | 12              | 562                   | 25                      | 19½                    |
| Acquired.....                  | —               | —                     | —                       | 1                      |
| Changed.....                   | — 12            | — 562                 | — 25                    | — 20½                  |
| Withdrawn from Service.....    | —               | 7                     | 1                       | —                      |
| Changed.....                   | —               | — 7                   | — 1                     | —                      |
| On hand December 31, 1958..... | 12              | 555                   | 24                      | 20½                    |

The following table shows the equipment on hand at the close of the past ten years:

|                           | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 |
|---------------------------|------|------|------|------|------|------|------|------|------|------|
| Locomotives:              |      |      |      |      |      |      |      |      |      |      |
| Steam.....                | 20   | 17   | 15   | 13   | 9    |      |      |      |      |      |
| Diesel-Electric:          |      |      |      |      |      |      |      |      |      |      |
| Freight "A" Units.....    |      | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Freight or Passenger..... | 2    | 3    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    |
| Switching.....            | 2    | 2    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Freight Train Cars.....   | 510  | 505  | 509  | 589  | 564  | 539  | 543  | 569  | 562  | 555  |
| Passenger-Train Cars..... | 32   | 31   | 31   | 29   | 30   | 30   | 30   | 25   | 25   | 24   |
| Work Equipment.....       | 19½  | 19½  | 20½  | 16½  | 16½  | 16½  | 16½  | 20½  | 19½  | 20½  |

\* Includes one-half interest in Official Car 100.

## EQUIPMENT OBLIGATIONS, DECEMBER 31, 1958

| Description and Date         | Amount          | Unpaid<br>Dec. 31, 1958 | Installments<br>Payable | Interest<br>Rate<br>Percent | Final<br>Payment<br>Due or Paid | Matured or<br>Paid During<br>Year 1958 |
|------------------------------|-----------------|-------------------------|-------------------------|-----------------------------|---------------------------------|--|
| Conditional Sale Agreements: |                 |                         |                         |                             |                                 |  |
| December 16, 1950.....       | \$ 342,000.00   | \$ 76,100.00            | Monthly                 | 2.40                        | Mar. 1, 1961                    | \$ 34,200.00                           |
| June 4, 1951.....            | 171,000.00      | 171,000.00              | Monthly                 | 2.85                        | Mar. 1, 1966                    | None                                   |
| April 1, 1952.....           | 92,000.00       | 25,300.00               | Quarterly               | 2.75                        | Aug. 1, 1961                    | 9,200.00                               |
| October 1, 1952.....         | 413,100.00      | 240,567.00              | Monthly                 | 3.00                        | Oct. 19, 1967                   | 27,234.00                              |
| September 1, 1955.....       | 151,800.00      | 91,080.00               | Quarterly               | 3.25                        | Nov. 1, 1967                    | 10,120.00                              |
| February 15, 1956.....       | 87,360.00       | 64,064.00               | Monthly                 | 3.25                        | May 1, 1966                     | 8,736.00                               |
| February 15, 1956.....       | 74,614.98       | 37,303.20               | Monthly                 | 3.25                        | July 1, 1961                    | 14,921.28                              |
| February 15, 1956.....       | 146,208.81      | 146,208.81              | Monthly                 | 3.35                        | July 1, 1971                    | None                                   |
| February 15, 1956.....       | 80,874.75       | 36,388.44               | Monthly                 | 3.25                        | Apr. 1, 1961                    | 16,172.64                              |
| February 15, 1956.....       | 161,726.40      | 161,726.40              | Monthly                 | 3.35                        | Apr. 1, 1971                    | None                                   |
| Total.....                   | \$ 1,720,684.94 | \$ 1,049,737.85         |                         |                             |                                 | \$ 120,583.92                          |







